

FEDERAL BUREAU OF INVESTIGATION
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FOI/PA# 1192989-0

Total Deleted Page(s) = 1
Page 148 ~ Referral/Consult;

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FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE NEW YORK	OFFICE OF ORIGIN NEW YORK	DATE 3/25/78	INVESTIGATIVE PERIOD 2/13/78 - 3/10/78
TITLE OF CASE <div style="border: 1px solid black; height: 20px; width: 100%;"></div>		REPORT MADE BY <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	TYPED BY CSA b6 b7C
		CHARACTER OF CASE <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	

INTERVIEW

bStep of SA

dated 2/17/78.

- P -

ADMINISTRATIVE

Investigation continues previous report in order to include additional investigation.

LEADSWASHINGTON FIELD

1/17/85 5/21/85

ACCOMPLISHMENTS CLAIMED						<input type="checkbox"/> NONE	ACQUIT-TALS	CASE HAS BEEN:
CONVIC.	AUTO.	FUG.	FINES	SAVINGS	RECOVERIES			
								PENDING OVER ONE YEAR <input type="checkbox"/> YES <input type="checkbox"/> NO
								PENDING PROSECUTION OVER SIX MONTHS <input type="checkbox"/> YES <input type="checkbox"/> NO

APPROVED

SPECIAL AGENT
IN CHARGE

DO NOT WRITE IN SPACES BELOW

COPIES MADE:

- 2 - Bureau (174-3711)
- (1 - 47-56584)
- 1 - Los Angeles (47-12230)
- 1 - San Francisco (176-1725) (INFO)
- 2 - Washington Field (47-10713)
- (1 - USA, Attn:)
- (1 - USA, DMK (Attn:)
- 1 - New York (176-1504)
- (1 - 47-11047)

Dissemination Record of Attached Report

Agency				
Request Recd.				
Date Fwd.				
How Fwd.				
By				

Notations

MAY 6 1978

NEW YORK

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COVER PAGE

NY 174-1804

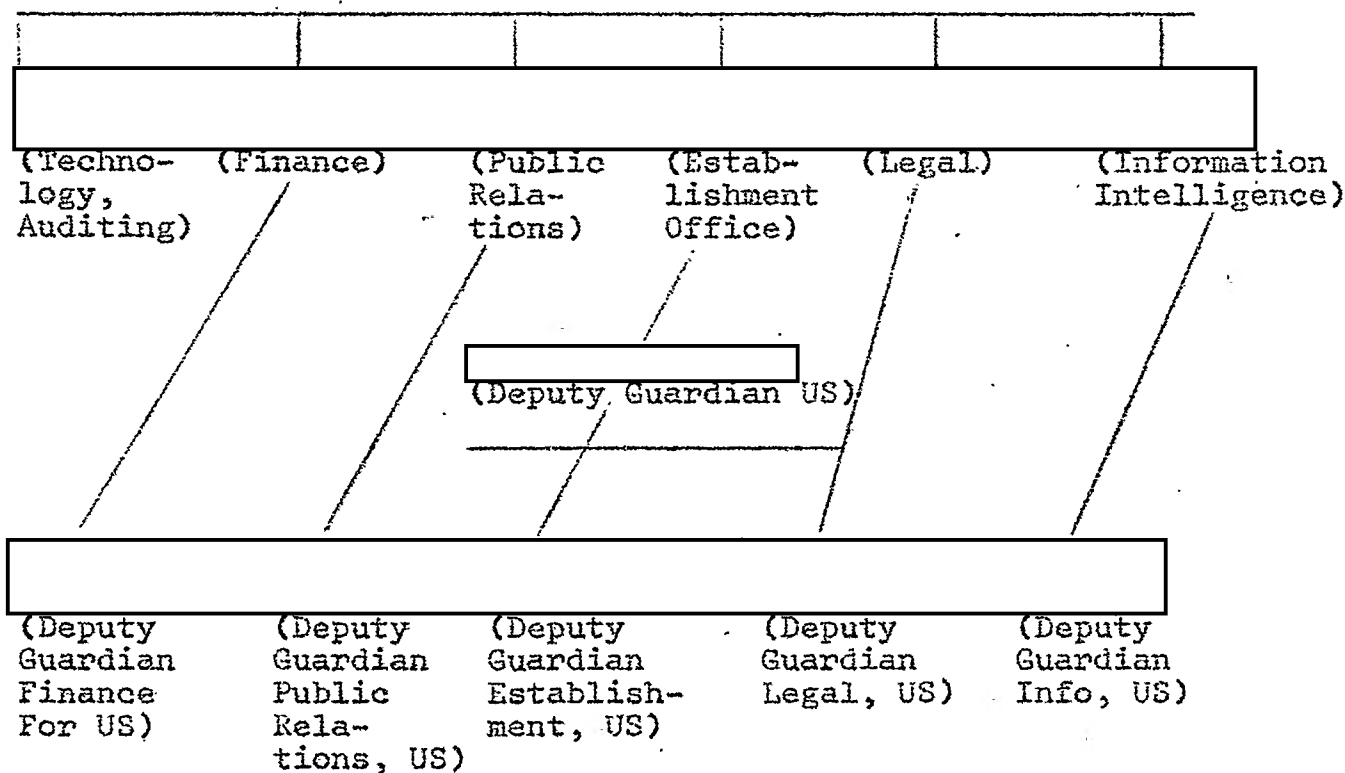
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A confidential source provided the following chart showing the officials in the COS during the period 1972 to 1973:

MARY SUE HUBBARD (Commodore Staff Guardian)

[redacted] (Guardian Worldwide)

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VZCZCHQ0424 2272149
RR HI LA NY TP
DE MF
R 152044Z AUG 78
FM WASHINGTON FIELD (47-18715) (P)

TO DIRECTOR (47-56639) ROUTINE
LOS ANGELES (47-12239) ROUTINE (LA VIA FBIHQ)
NEW YORK (174-1804) ROUTINE (NY VIA FBIHQ)
TAMPA (193-3) ROUTINE
BT

UNCLAS

SITOL

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11-9-84 BY SP2 TAP/JAC

FOR INFORMATION OF BUREAU AND RECEIVING OFFICES,
INDICTMENT WAS RETURNED TODAY IN UNITED STATES DISTRICT
COURT (USDC), WASHINGTON, D. C. (WDC), CHARGING MEMBERS
OF THE CHURCH OF SCIENTOLOGY (COS) WITH 23 COUNTS OF
VIOLATIONS TITLE 18, UNITED STATES CODE, SECTIONS 2,
371, 641, 1593, 1625, 2511(1)(4) (CONSPIRACY, THEFT OF
GOVERNMENT PROPERTY, AIDING AND ABETTING, OBSTRUCTION
OF JUSTICE, FALSE DECLARATIONS BEFORE A GRAND JURY,
INTERCEPTION OF ORAL COMMUNICATIONS), TITLE 22, DISTRICT
OF COLUMBIA CODE, SECTIONS 105, 1301(B) (BURGLARY, AIDING

174-1804
1-47-11947
AUTOMATED RECORD

UNCLASSIFIED 11/9/85 SP2 TAP/JAC

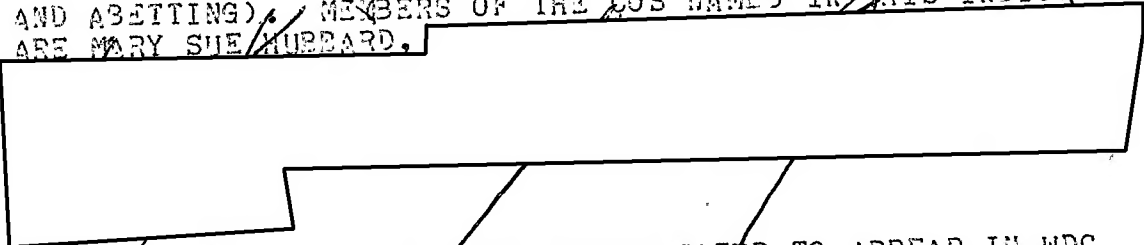
174-1804

SEARCHED	INDEXED
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AUG 15 1978	
FBI-NEW YORK	

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PAGE TWO WF 47-13713 UNCLAS

AND ABETTING). MEMBERS OF THE COS NAMED IN THIS INDICAMENT
ARE MARY SUE HUBBARD.



THE ABOVE INDIVIDUALS ARE EXPECTED TO APPEAR IN WDC
FOR INITIAL APPEARANCE ON AUGUST 17 OR 13, 1973.

BT

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(Mount Clipping in Space Below)

(See ATTACHED)

(Indicate page, name of newspaper, city and state.)

— WASHINGTON
— Post
— W.D.C.
— pg A1

Date: 8/16/78
Edition: morning

Title: US CHARGES
Scientology Conspiracy

Character:
or

Classification:

Submitting Office:

ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED

DATE 1/8/85 BY SP2TAP/alt

SEARCHED 24-1804
SERIALIZED FILED

AUG 1978

FBI NEW YORK

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U.S. Charges Scientology Conspiracy

11 Church Agents Accused of Spying, Bugging and Theft

By Timothy S. Robinson
Washington Post Staff Writer

Eleven high officials and agents of the Church of Scientology, including the wife of founder L. Ron Hubbard, were charged here yesterday in an allegedly widespread conspiracy to plant spies in government agencies, break into government offices, steal official documents and bug government meetings.

Much of the evidence outlined against the church's officials in the 28-count criminal indictment appears to be based on the church's own internal memorandums and other documents. The memorandums directed church operatives to "use any method" in its battle with the government.

Church spies were used, according to the indictment, to find out about Scientology's tax-exempt status, rummage through government files to get information on the church and on persons or groups it perceived to be its "enemies." They were also used as an "early warning system" to protect Hubbard from government scrutiny, the indictment alleged.

Assistant U.S. Attorney Raymond Banoun asked that arrest warrants be issued immediately for the church's Worldwide Guardian, Jane Kember, and her chief aide, Morris (Mo) Budlong, in England, and said extradition proceedings against them would begin soon.

The other indicted church members, including Commodore Staff Guardian Mary Sue Hubbard, the wife of the founder, are scheduled to appear in federal court here at 1 p.m. Thursday. Banoun said he had been assured by attorneys for those church members that they would appear as scheduled.

A spokesman for the church, which is described in its literature as an "applied religious philosophy which believes that man is a spiritual being and is basically good," said the indictment is the latest episode in nearly 30 years of harassment against the church by government agencies.

"... If justice is done our members will be exonerated as any have been who have fought for religious freedom against government oppression throughout history," said the church's Deputy U.S. Guardian Henning Heldt, who was among those indicted yesterday.

The indictment charges that the church's "guardian office" included a bureau that "was assigned the responsibility for the conduct of covert operations," and that all of those charged with crimes were members or officials of that bureau.

The church said, however, that the guardian office is the "social reform arm of the church." Church attorney Phillip J. Hirschi described the indictments as part of a "bureaucratic vendetta against Scientology" and said "any person who attributes to

11 Scientologists Charged With Plot to Spy on Government

SCIENTOLOGY, From A1

church members is a direct result of government misconduct."

The 42-page indictment, one of the longest returned by a grand jury here in recent memory, climaxes a sometimes bizarre investigation that began when two Scientology operatives were confronted by FBI agents in June 1976 in the federal courthouse here after employees became suspicious of their regular nighttime presence.

The two men, who had entered the building by using allegedly forged Internal Revenue Service passes, were allowed to leave. Unknown to the agents at the time, the two were part of the alleged undercover Scientology operation and had been assigned to the courthouse to enter offices there

and copy documents, according to the indictment.

The two men then fled to California and with Scientology officials concocted a cover story to explain their presence in the courthouse, according to the indictment. One of them, Gerald Bennett Wolfe, returned to the courthouse here a year later and pleaded guilty to using fake IRS credentials. He was placed on probation.

The other alleged courthouse intruder, Michael Meisner, had been hidden by the church in Los Angeles for more than a year, having had his appearance changed and using a false name, according to the indictment. When he threatened to return to Washington against the church's will, he was held under guard and his "bodyguard crew" was told to "rag, handcuff" him if necessary, the indictment continued.

Meisner escaped from his guards in June 1977 and came to Washington, where he agreed to plead guilty to a five-year felony. He is the government's main informant against the church, and is being held under tight security.

When he came to Washington, Meisner outlined the alleged Scientology infiltration plot in great detail to federal agents and they obtained a search warrant for the church's headquarters in Los Angeles and Washington. Those warrants were executed on July 8, 1977, and resulted in a massive seizure of church documents that reportedly outlined a campaign of harassment and infiltration directed against numerous individual critics of the church as well as against government officials and agents.

According to the indictment returned yesterday, the alleged criminal conspiracy by the church began on Nov. 21, 1973, when Kember directed Heldt and his staff to obtain all Interpol (the international police organization) documents concerning Scientology and Hubbard.

Meisner was brought into the plot in mid-1974 when he was told by a superior, Cindy Raymond, that he was to help her place a "loyal Scientology agent" as an IRS employee in the District of Columbia, the indictment stated. Raymond, identified as the national secretary of the church's U. S. information bureau, was among those charged yesterday.

Kember issued another order, known in church terminology as Guardian Program Order 1381, in October 1974, directing the infiltration of the tax division of the Justice Department, according to the indictment.

Two of those who received that order, Deputy Guardian-Information U.S. Richard Weigand and Deputy-Deputy Guardian U.S. Duke Snider, also were charged in yesterday's criminal conspiracy.

Within days of that order, according

to the indictment, three Scientology agents planted an electronic listening device or "bug" in an IRS conference room here and "recorded an IRS meeting concerning Scientology's application for tax-exempt status and related matters." Less than 18 days later, Wolfe was employed as a clerk-typist at the IRS.

One of the agents who allegedly planted the bug, Mitchell Herman (also known as Mike Souper), also was charged yesterday. At the time of the alleged offense, his title with the church was Branch I director of the Guardian's office, D.C.

Once Wolfe was in place at IRS, the indictment charged, he began stealing IRS documents that would then be "flown out to the church's top officials in the Los Angeles area."

Among the IRS offices from which Wolfe stole documents were the chief counsel's office, that of an assistant IRS commissioner, and other lawyers, according to the charges.

In May 1975, Wolfe also turned his attention to the tax division of Justice and stole documents from the offices of three attorneys there as well, the indictment charged.

Mary Sue Hubbard then told Kember and held on May 27, 1975, to "use any method at our disposal to win the battle and gain our nonprofit (tax) status," according to the charges. Gregory Willardson, then the Church's Information Bureau Branch I director in the United States, soon wrote a letter to Meisner asking him to prepare a plan to get further IRS documents, the indictment stated. Willardson also was charged yesterday.

Six months later, an order known as the "Early Warning System" was issued by the church hierarchy, and it was "designed to protect the 'personal security' of" L. Ron Hubbard, the indictment stated.

"The order called for the infiltration of government agencies which had power to subpoena or bring suits against Hubbard or which would possess advance warning of such subpoenas or suits," the indictment continued.

The indictment said that as the plot continued:

- A Scientologist, Sharon Thomas, was placed in a job at the Justice Department as a secretary and stole documents from an attorney's office there.

- Guardian's office officials met in Los Angeles to discuss the burglaries, the infiltrations, and documents obtained by Scientologists.

- Meisner and Wolfe forged IRS credentials and used them to break into the offices of Assistant U.S. Attorney Nathan Dodell at the U.S. Courthouse here.

- Meisner and Wolfe broke into the offices of Associate Deputy Attorney General Togo G. West Jr. and Special

Assistant to the Assistant Attorney General for Administration John F. Shaw and stole documents from both places.

- Even after charges were filed against Wolfe and Meisner in connection with the alleged illegal use of IRS credentials, the church tried to implement what it called "Project Troy." That project reportedly called for the installation of a permanent "bug" in the IRS chief counsel's office, and was approved by Heldt on Dec. 20, 1976.

- In May 1977, the church again called for the infiltration of the U.S. Attorney's Office in Washington "for the purpose of obtaining information

about any potential legal action against L. Ron Hubbard."

All of the defendants except Wolfe and Thomas are charged with one count of conspiracy to steal government documents, burglarize government offices, intercept oral communications and forge government passes; 10 counts of theft of government property, one count of intercepting oral communications; 10 counts of burglary, and one count of conspiracy to obstruct justice, to obstruct an investigation, to harbor a fugitive, and to make false declarations before a grand jury.

Church of Scientology Attacks Investigators and Critics

By Ron Shaffer

Washington Post Staff Writer

The Church of Scientology is an organization that fervently shuns investigations. When probed, it attacks the investigators. When criticized, it makes the critics pay.

Church attempts to stifle investigations and criticism include lawsuits, harassment, frameups and attempts to have critics jailed, or at least enjoined from talking about Scientology.

If there is "a long term threat" to Scientology, founder L. Ron Hubbard wrote in a confidential memorandum to his staff, "you are to immediately evaluate and originate a black PR campaign to destroy the person's reputation and to discredit them so thoroughly that they will be ostracized."

A black public relations campaign, Hubbard wrote in an earlier memo, involves an anonymous source placing "lies and derogatory data into public view."

Information from these and other church memos and documents, along with the complaints of some who have opposed the sect, provide an inside glimpse of some of the Scientology tactics at a time when the government is alleging that the church has broken the law.

Hubbard, 67, a former fiction writer who started the Scientology religion in the 1950s, makes no distinction in some memos between an investigator and an attacker. Instructions to his followers make his demands clear.

"Never agree to an investigation of Scientology," he decrees. "Only agree to an investigation of the attackers . . . start investigating them promptly for felonies or worse . . . start feeding lurid, blood, sex, crime, actual evidence (sic) on the attackers to the press . . . Make it rough, rough on the attackers all the way."

Reporters and government officials who look into Scientology have their intentions rooted in evil, according to some of Hubbard's memos.

"They have proven they want no facts, and will only be no matter what they discover. So banish all ideas that any fair hearing is intended and start our attack with their first breath."

"There has never yet been an attacker who was not reeking with crime. All we had to do was look for it and murder would come out."

While the Church of Scientology has yet to disclose anything so sinister behind the current government investigation, it has made a number of attempts to take the offense.

Scientologists have slapped a \$750 million suit on the government, alleging interference with their constitutional right to practice religion.

They have handed out cartoons depicting one judge as a Nazi and the chief federal prosecutor, Raymond Banoun, as a baboon. The Scientologists have accused Banoun of making "gross misrepresentations" about them, and have filed complaints about him with the D.C. Bar Association, the Justice Department's office of professional responsibility, and the White House.

The church has filed scores of motions here and in Los Angeles in an attempt to have the government's case thrown out. As those failed, the church announced it was forming a group to investigate the government.

The American Citizens for Honesty in Government (ACHG) as Scientologists called it, is supposed to spy on the government to expose "government crimes."

One of the church's news releases

in recent months claims the current government investigation stems from fear the church will reveal these alleged crimes.

Three weeks ago the Scientologists held an unusual press reception to introduce some of the church's members who they felt were going to be indicted. Officials spent much of their time at this reception attacking the FBI for alleged excesses in its raids on the Church's files here and in Los Angeles.

In the face of danger from government or courts, Hubbard wrote in one memo, "make enough threat or clamor to cause the enemy to quail."

"If attacked on some vulnerable point by anyone or anything or any organization, always find or manufacture enough threat against them to cause them to sue for peace."

Citizens critical of the church have found themselves hit with lawsuits. With some that have meant legal expenses of thousands of dollars.

Nan McLean, a former member of the church, publicly accused it of "brainwashing and enslaving people." She has been sued eight times for a total of more than \$5 million. Scientologists held a mock funeral in her

Canadian hometown, complete with empty coffin and pallbearers, to pray for her soul.

Lorna Levett, another former Scientology official, told a newspaper she had been used by the church to bilk followers out of money. Scientology sued her for several hundred thousand dollars. She says she subsequently received in the mail, anonymously, a shark's tooth and a hangman's noose.

The Clearwater (Fla.) Sun, the St. Louis Post-Dispatch and ABC television all have made investigations and reports on Scientology in recent years. They have been sued for \$1 million, \$2.5 million and \$10 million, respectively.

Gabriel Cazares, the former mayor of Clearwater, says he believes the church sues people primarily to punish them. He calls it "legal terrorism." Cazares, as mayor of Clearwater, spoke out against the church when Scientologists made large land purchases in his town. The church sued him for \$2 million. A federal judge last month dismissed the suit, but Cazares' lawyer estimated his legal fees at between \$40,000 and \$70,000.

Hubbard, in one of his memos, noted the usefulness of lawsuits.

"The purpose of a suit is to harass and discourage rather than to win," he said. "The law can be used very easily to harass, and enough harassment on somebody who is simply on the thin edge anyway . . . will generally be sufficient to cause his professional demise. If possible, of course, ruin him utterly."

Some of those in the press who have been sued see the lawsuits as an abridgement of their First Amendment rights.

"It's nothing but an attempt to restrain free discussion about what they're doing," said Sidney Katz, an investigative reporter for the Toronto Star.

Evarts Graham, managing editor of the St. Louis Post-Dispatch, said, "Anyone who seeks to punish by bringing large legal fees works to inhibit the free flow of discussion," he said. Post-Dispatch legal fees are approaching \$100,000 according to sources at the newspaper.

The church first demanded that the newspaper stop running its investigative series, and sued when that demand was ignored.

The Washington Post incurred some legal expenses earlier this year when the church served subpoenas on this

reporter, demanding that all material used in compiling several stories on Scientology be turned over to the court. Both subpoenas were quashed.

In most other instances cited in this article, suits brought by the church have been dismissed, or are pending.

"We do not want Scientology to be reported in the press, anywhere else than on the religious page of newspapers," Hubbard said in one of his memos. "It is destructive word of mouth to permit the public presses to express their biased and badly reported sensationalism. Therefore, we should be very alert to sue for slander at the slightest chance so as to discourage the public presses from mentioning Scientology."

In his memos, Hubbard is explicit about the kind of dedication he expects from church followers.

"We're not playing some minor game in Scientology," he wrote. "It isn't cute or something to do for lack of something better. The whole organized future of this planet, every man, woman and child on it, and your own destiny for the next endless trillions of years depends on what you do here and now with and in Scientology. This is a deadly serious activity."

(Mount Clipping in Space Below)

A federal grand jury indicted 11 members of the California-based Church of Scientology on charges of bugging government offices and stealing documents. Church officials have said they made copies of some documents to counter what they claim has been a 20-year government campaign of harassment. The documents were allegedly taken from the IRS, FBI and a U.S. court house.

(Indicate page, name of newspaper, city and state.)

Wall St.

Pg 1

Date:

Edition:

Title:

Character:

or

Classification:

Submitting Office:

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